



PUBLIC NOTICE

Federal Communications Commission
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SPRINT AND OPEN MOBILE SEEK FCC CONSENT TO THE ASSIGNMENT AND TRANSFER OF CONTROL OF LICENSES AND AN INTERNATIONAL SECTION 214 AUTHORIZATION IN PUERTO RICO AND THE U.S. VIRGIN ISLANDS

WT Docket No. 17-112

PLEADING CYCLE ESTABLISHED

Petitions to Deny Due: June 21, 2017
Oppositions Due: June 28, 2017
Replies Due: July 6, 2017

I. INTRODUCTION

Sprint PR Spectrum LLC, Nextel of Puerto Rico, Inc., Sprint Puerto Rico Holdings LLC, and SprintCom, Inc., as subsidiaries of Sprint Corporation (collectively, Sprint), and PRWireless, Inc., d/b/a Open Mobile (Open Mobile, and together with Sprint, the Applicants), have filed applications pursuant to Sections 214 and 310(d) of the Communications Act of 1934, as amended,¹ seeking Commission consent to a multi-step transaction resulting in the assignment or transfer of control of licenses and authorizations to a new limited liability company, PR Wireless PR, LLC (PRW). At the conclusion of the transaction, PRW would be jointly owned (indirectly) by Sprint and Open Mobile. Sprint would have a 68 percent economic interest and a 55 percent voting interest, and Open Mobile would have a 32 percent economic interest and a 45 percent voting interest in PRW. Sprint would have majority control of the governing Board of Directors and the owners of Open Mobile would be represented on the Board and continue to be active in the management and operations of the company.

Open Mobile would assign its two Personal Communications Service (PCS) licenses, one Lower 700 MHz C Block license, microwave licenses, and an international Section 214 authorization to PRW. In addition, all of Open Mobile's operations, including wireless network assets, employees, retail stores, and retail subscribers in Puerto Rico, would be transferred to PRW as part of the proposed transaction. Sprint would contribute seven 1.9 GHz PCS licenses, constituting all of its 1.9 GHz spectrum covering Puerto Rico and the U.S. Virgin Islands (USVI), two Broadband Radio Service (BRS) licenses and its interest as a spectrum lessee under a third BRS license (the BRS licenses and spectrum leasing arrangement provide coverage only in Puerto Rico), and microwave licenses to Sprint PR Spectrum LLC, as a wholly-owned subsidiary of PRW. In addition, Sprint would convey all of the related wireless network assets, employees, retail stores, and prepaid subscribers to PRW, and would pay a revenue-based fee to PRW for managing all post-paid subscribers.

The Applicants assert that consumers will benefit from the combination of Sprint's experience as a nationwide service provider and Open Mobile's experience as a local service provider in Puerto Rico. Specifically, the Applicants claim that post-transaction, PRW plans to operate both the existing Sprint and Open Mobile Networks for the foreseeable future and support existing customers with no mandatory

¹ 47 U.S.C. §§ 214, 310(d).

migration of customers from one network to the other. The Applicants maintain that Open Mobile's customers will benefit from enhanced wireless coverage through the deployment of more cell sites, improved service quality through a 4G LTE upgrade, more choices of competitively priced handsets, a larger number of retail outlets, and expanded, lower cost roaming. The Applicants also claim that Sprint's customers, both those that live in Puerto Rico and those that travel to Puerto Rico, will benefit from improved 4G LTE coverage and capacity on the combined network, more extensive coverage, and an expanded retail presence in Puerto Rico.

Our preliminary review indicates that pre-transaction, Sprint is attributed with 37.4 megahertz to 173.6 megahertz of spectrum in total. Open Mobile would transfer 15 megahertz of PCS spectrum in Puerto Rico and 22 megahertz of Upper 700 MHz C Block spectrum in Puerto Rico and the USVI to the new limited liability company, PRW. Post-transaction, Sprint, because of its controlling interests in PRW, would be attributed with 59.4 megahertz to a maximum of 210.6 megahertz of spectrum in total in Puerto Rico and the USVI.

II. SECTION 310(d) APPLICATIONS

The applications for the assignment or transfer of control of licenses and one *de facto* transfer spectrum leasing arrangement have the following file numbers:

<u>File No.</u>	<u>Assignor/Transferor</u>	<u>Assignee/Transferee</u>	<u>Lead Call Sign/Lease ID</u>
0007674399 ²	SprintCom, Inc.	Sprint PR Spectrum LLC	WPSL280
0007668018	Nextel of Puerto Rico, Inc.	Sprint PR Spectrum LLC	WQKT296
0007674360	Sprint PR Spectrum LLC	Sprint Puerto Rico Holdings LLC	B489
0007673153	PRWireless, Inc.	PRWireless PR, LLC	WPNN780
0007700865	Sprint PR Spectrum LLC	Sprint Puerto Rico Holdings LLC	L000023619

III. SECTION 214 APPLICATION

The following application for consent to the transfer of control of an international section 214 authorization has been assigned the following file number:

<u>File No.</u>	<u>Authorization Holder</u>	<u>Assignee</u>	<u>Authorization Number</u>
ITC-ASG-20170301-00024	PRWireless, Inc.	PRWireless PR, LLC	ITC-214-19990615-00426

IV. EX PARTE STATUS OF THIS PROCEEDING

Pursuant to Section 1.1200(a) of the Commission's rules,³ the Commission may adopt modified or more stringent *ex parte* procedures in particular proceedings if the public interest so requires. We announce that this proceeding will be governed by permit-but-disclose *ex parte* procedures that are applicable to non-restricted proceedings under Section 1.1206 of the Commission's rules.⁴

² The Applicants have designated this application as the lead wireless application.

³ 47 CFR § 1.1200(a).

⁴ 47 CFR § 1.1206.

Parties making oral *ex parte* presentations are directed to the Commission's *ex parte* rules. Parties are reminded that memoranda summarizing the presentation must contain the presentation's substance and not merely list the subjects discussed.⁵ More than a one- or two-sentence description of the views and arguments presented is generally required.⁶ Other rules pertaining to oral and written presentations are set forth in Section 1.1206(b) as well.⁷

V. GENERAL INFORMATION

The assignment and transfer of control applications have been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules or policies.

Interested parties must file petitions to deny no later than **June 21, 2017**. Persons and entities that file petitions to deny become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential information that may be filed under a protective order, seeking reconsideration of decisions, and filing appeals of a final decision to the courts. Oppositions to such pleadings must be filed no later than **June 28, 2017**. Replies to such pleadings must be filed no later than **July 6, 2017**. All filings concerning matters referenced in this Public Notice should refer to WT Docket No. 17-112.

To allow the Commission to consider fully all substantive issues regarding the application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.⁸ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

Under the Commission's current procedures for the submission of filings and other documents,⁹ submissions in this matter may be filed electronically through the Commission's Electronic Comment Filing System ("ECFS") or by hand delivery to the Commission.

- **To file electronically,**¹⁰ access ECFS via the Internet at <http://apps.fcc.gov/ecfs>. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket number.
- **To file by paper,** the original and one copy of each filing must be filed by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St., S.W., Room TW-A325, Washington, D.C. 20554. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal

⁵ 47 CFR § 1.1206(b)(1).

⁶ *Id.*

⁷ 47 CFR § 1.1206(b).

⁸ 47 CFR § 1.45(c).

⁹ *FCC Announces Change in Filing Location for Paper Documents*, Public Notice, 24 FCC Rcd 14312 (2009).

¹⁰ *Electronic Filing of Documents in Rulemaking Proceedings*, Report and Order, 13 FCC Rcd 11322 (1998).

Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

One copy of each pleading must be delivered electronically, by email or facsimile, or if delivered as paper copy, by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (according to the procedures set forth above for paper filings), to: (1) Kathy Harris, Mobility Division, Wireless Telecommunications Bureau, at kathy.harris@fcc.gov or (202) 418-2643 (facsimile); (2) Linda Ray, Broadband Division, Wireless Telecommunications Bureau, at linda.ray@fcc.gov or (202) 418-2643 (facsimile); (3) Kate Matraves, Competition and Infrastructure Policy Division, Wireless Telecommunications Bureau, at catherine.matraves@fcc.gov or (202) 418-2643 (facsimile); (4) David Krech, Telecommunications and Analysis Division, International Bureau, at david.krech@fcc.gov or (202) 418-0748 (facsimile); and (5) Jim Bird, Office of General Counsel, at TransactionTeam@fcc.gov or (202) 418-1234 (facsimile).

The applications and any associated documents are available for public inspection and copying during normal reference room hours at the following Commission office: FCC Reference Information Center, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The applications also are available electronically through ULS, which may be accessed on the Commission's Internet website. To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer and Governmental Affairs Bureau at (202) 418-0530 (voice) or (202) 418-0432 (TTY). Contact the FCC to request reasonable accommodations for filing comments (accessible format documents, sign language interpreters, CART, etc.) by email: FCC504@fcc.gov; phone: (202) 418-0530; or TTY: (202) 418-0432.

For further information, contact Kathy Harris, Mobility Division, Wireless Telecommunications Bureau, at (202) 418-0609, or Kate Matraves, Competition and Infrastructure Policy Division, Wireless Telecommunications Bureau, at (202) 391-6272.

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